

***Effective 3/29/2014***

**63G-6a-2405 Discretion to declare contract or grant void -- Limitations.**

- (1) Subject to Subsection (2), the governing body or chief executive officer of a public entity that awards a contract or grant to a person who engages in conduct made unlawful under this part may, in the sole discretion of the governing body or chief executive officer, declare the contract or grant to be void and unenforceable, unless:
  - (a) the contract or grant relates to the issuance of a bond or other obligation and the bond has been issued or obligation incurred; or
  - (b) a third party has substantially changed its position in reliance upon the contract or grant.
- (2) Declaring a contract or grant void under Subsection (1) does not affect the obligation of a procurement unit to pay for a contractor's proper performance completed under the contract or grant or the value the contractor provides to the public entity under the contract or grant before the contract or grant is declared void.
- (3) Subsection (1) applies only to a procurement with respect to which:
  - (a) public notice is provided on or after July 1, 2014, if public notice of the procurement is required; or
  - (b) the initial contact between the public entity and the potential contractor, for purposes of the procurement, occurs on or after July 1, 2014, if public notice of the procurement is not required.

Enacted by Chapter 196, 2014 General Session